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September 7, 2000

By Hand

Ms. Magalie R. Salas  
Federal Communications Commission  
Office of the Secretary  
445 12<sup>th</sup> Street, SW  
Washington, D.C. 20554

**Re: *Ex Parte* Presentations; In the Matter of Compatibility Between Cable Systems and Consumer Electronics Equipment; PP Docket No. 00-67; In the Matter of Implementation of Section 304 of the Telecommunications Act of 1996; Commercial Availability of Navigation Devices; CS Docket No: 97-80/**

Dear Ms. Salas:

This is to notify the Office of the Secretary that on September 7, 2000, on behalf of the National Association of Broadcasters ("NAB"), Lynn Claudy, Karen Kirsch, and Valerie Schulte, and on behalf of the Association of Maximum Service Television, Inc. ("MSTV"), Ellen Goodman (counsel), met with Peter Tenhula, Senior Legal Advisor to Commissioner Powell and with Karen Edwards Onyeije, Legal Advisor to Chairman Kennard.

The subject of the meetings is conveyed in the attached ex parte letter MSTV and NAB filed yesterday, as well as in the written comments in the above proceedings

Sincerely yours,



Ellen P. Goodman  
*Attorney for MSTV*

Enc.

cc. Chairman Kennard  
Commissioner Powell  
Peter Tenhula  
Karen Edwards Onyeije

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**Re: *Ex Parte* Presentations; In the Matter of Compatibility Between Cable Systems and Consumer Electronics Equipment; PP Docket No. 00-67; In the Matter of Implementation of Section 304 of the Telecommunications Act of 1996; Commercial Availability of Navigation Devices; CS Docket No: 97-80**

Dear Ms. Salas:

This is to notify the Office of the Secretary that on September 5, 2000, on behalf of the National Association of Broadcasters ("NAB"), Henry Baumann, Lynn Claudy, Jack Goodman, Karen Kirsch, and Valerie Schulte, and on behalf of the Association of Maximum Service Television, Inc. ("MSTV"), Ellen Goodman (counsel) and Victor Tawil, met with William J. Friedman IV, Senior Legal Advisor to Commissioner Tristani. On September 6, 2000, the same parties, with the addition of Margita White, President of MSTV, met with Commissioner Furchtgott-Roth and his Senior Legal Advisor, Helgi Walker, and Commissioner Ness and her Legal Advisor, David Goodfriend.

The subject of the meetings was MSTV's and NAB's perspective on the proceedings listed above, and particularly on the compatibility proceeding. MSTV and NAB made the points in the attached document, which are reflected in the written record of this proceeding. Specifically, they argued that discussion of digital cable compatibility has been going on for at least six years since the Commission first said it would issue a rulemaking on the subject. The issues have now been teed up in several proceedings and are touched on in several more. Despite repeated promises and declarations by the consumer manufacturing and cable industries, truly interoperable digital devices (especially DTV sets and set-top boxes) are not on the market. Consumers' interests are not being served and the DTV transition cannot progress without resolution -- definitive resolution -- to the remaining interoperability problems. An order in the compatibility proceeding is unlikely to prompt, much less produce, such a resolution. Therefore,

September 6, 2000

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the limited scope of the order as well as the significant problems that remain should be acknowledged. The Commission should deal with the remaining interoperability issues in a holistic fashion and move swiftly to require industry resolution of, or to itself resolve, the remaining issues now, more than two years after the Chairman first demanded their resolution. It should also take what helpful steps it can in the context of this proceeding, as described in the attached.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'E. Goodman', with a stylized flourish at the end.

Ellen P. Goodman  
*Attorney for MSTV*

Enc.

cc. Commissioner Furchtgott-Roth  
Commissioner Ness  
Commissioner Tristani  
William Friedman  
David Goodfriend  
Helgi Walker

# **DIGITAL CABLE COMPATIBILITY**

**September 5-6, 2000**

## **Why We're Here**

- Broadcasters have urged the FCC in dozens of filings, letters, and other public statements to be more proactive in bringing the compatibility problems to resolution. The FCC recognized six years ago that there would have to be digital standards to govern the interfaces between digital cable and DTV sets -- necessary to ensure that when consumers buy digital sets, they will get the full functionality they expect. We have stood in the shoes of the public, hoping that cable, CE and other necessary industries would resolve the interoperability issues. The question the Commission ought to ask itself is whether the order now under consideration ensures the public that there will SOON be digital devices that provide consumers easy and simple access to digital cable and DTV programming. Our understanding is that it does not. More action is necessary.

## **What Does Compatibility Mean?**

- That consumers can buy DTV sets and plug them into a cable box or the cable itself and get digital cable and broadcast programming easily and seamlessly;
- That consumers can access DTV signals through their cable system (whether through a box or directly to their sets) without compromised quality or confusion;
- That consumers are assured that the DTV sets they buy can be connected to other digital devices like computers and VCR's;
- That consumers can benefit from independent electronic program guides that work well with the programming information of all channels and that afford easy navigation.
- These are the consumer-friendly results that are required. The results that will enable consumers to access DTV and make the most of the expensive equipment they purchase. The FCC must set a date certain by which these consumer expectations will be met and should settle for nothing less.

## **Broadcasters' Recommendations**

- *Statement that there's much more to be done.* The Commission is now dealing with digital interoperability issues in a number of proceedings, including the digital cable carriage proceeding. The FCC must not issue an order in this proceeding declaring victory, particularly since the issues under consideration in this proceeding are so narrow. Rather, it should note that the steps it is taking in this order are small and will not ensure true digital compatibility.
- *Deadlines.* The Notice raised four issues: progress towards cable-ready sets, cable's handling of program information, labeling and copy protection. It determined that the first two issues were resolved. In fact, they were not and still are not. There is record evidence

that the issues of cable-ready sets and PSIP/EPG information transmission are still NOT settled. Although cable-ready specifications have been agreed to, build-to specifications are still unavailable. Although the transmission of PSIP information has been agreed to, the February 22 agreement between CEA and NCTA itself said more work needs to be done. The FCC has *ex parte* letters from manufacturers explaining that the unaltered transmission of PSIP and other program guide information is not assured. Past experience has shown that "working out the details" of a broad agreement can take years, particularly when the cable industry has no incentive to provide for interoperability.

The FCC should set enforceable and short deadlines for the relevant industries to produce build-to specifications on PSIP transmission and cable-ready sets. It should set the same deadline for resolution of copy protection issues and a reasonable deadline for implementation of labeling. The FCC should also seek commitments from the relevant industries on product roll-out.

- *Labeling and 1394.* Labeling is no substitute for interoperable product. We have asked that the FCC mandate 1394 connections in all DTV tuners. Failing that, the FCC should use labeling as a way to clearly inform consumers so that they can shape the market for interoperable devices. In particular, the FCC should require that digital television devices say whether or not they contain a 1394 interface.